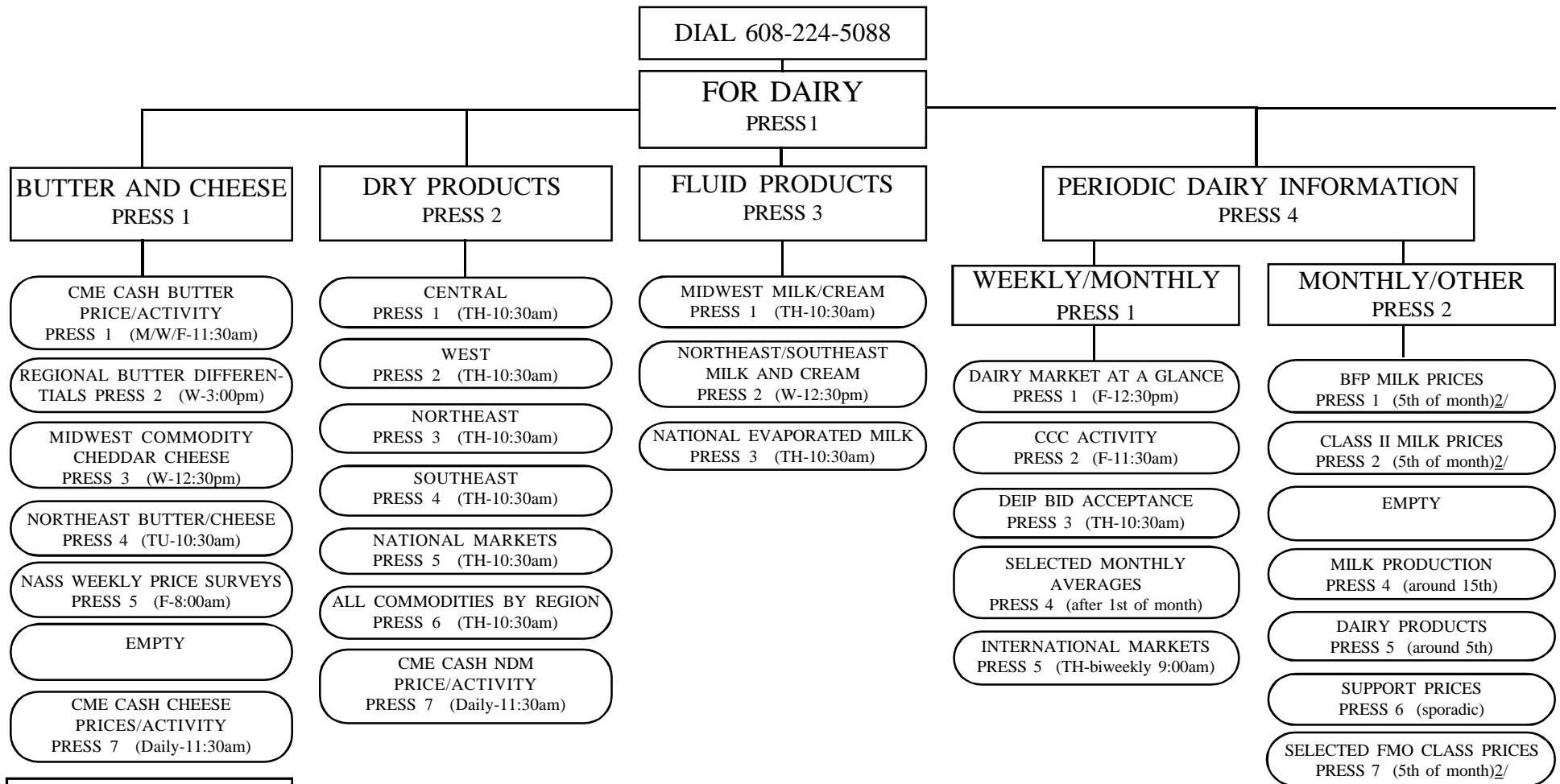


MARKET NEWS RECORDED INFORMATION SYSTEM

The system is accessible via a touch-tone telephone. Recorded instructions prompt the caller in the use of the system. By listening to menus and pressing numbers on your touch tone telephone, you will have access to the latest market information. Please note that you do not have to listen to the entire menu before pressing your number choice. Use the flowchart below as a guide for accessing dairy information. Release day and time (Central) are in parenthesis. 1/



HINTS

-press 8 to repeat a message
-press 9 to back out one level
-press * before exiting system
(allows system to reset line for next user)

EXAMPLE

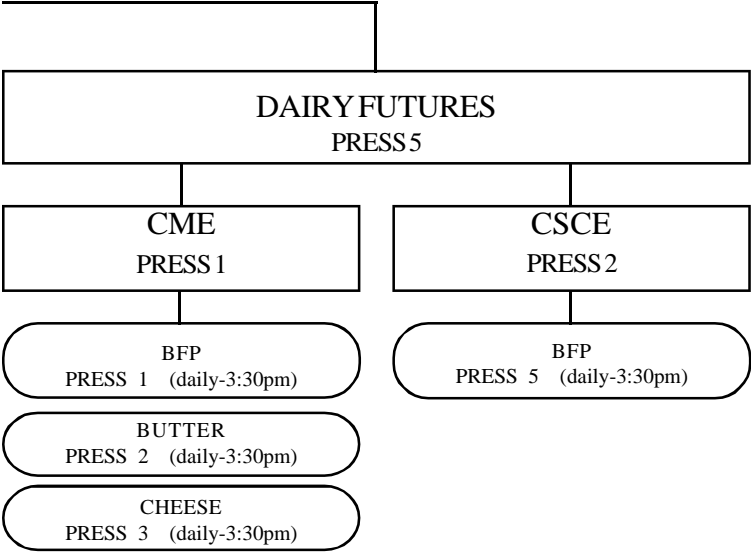
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1/ Holidays may affect release days and times. 2/ If the scheduled release date for these price series fall on a weekend or holiday, the price will be announced on the preceding weekday.

UNITED STATES DEPARTMENT OF AGRICULTURE
DAIRY MARKET NEWS
P.O. BOX 8911
MADISON, WI 53708-8911

07/99



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NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (7/30):
BUTTER: Grade AA closed at \$1.4700. The weekly average for Grade AA is \$1.3842 (+.1109).

CHEESE: Barrels closed at \$1.7100 and blocks at \$1.7875. The weekly average for barrels is \$1.6950 (+.0805) and blocks, \$1.7615 (+.0860).

NONFAT DRY MILK: Extra Grade closed at \$1.0100 and Grade A at \$1.0500. The weekly average for Extra Grade is \$1.0100 (N.C.) and Grade A is \$1.0500 (N.C.).

BUTTER: The market tone is firm. Prices continue to increase following the trend of cash trading at the CME. Storage butter stocks are sufficient for current needs, although fresh butter is in tight supply. Many butter handlers that have storage butter are less willing to sell as the market firms. Churning schedules are light due to limited supplies of cream for butter production. Overall butter demand is fair. Scattered retail feature activity is clearing good volumes of print butter.

CHEESE: The cheese market remains firm. Current cheese offerings are short to tight. Plant operators are having increased difficulty in filling orders and many are limiting sales to regular accounts. Current cash market prices are well above the weekly trading prices recorded during the comparable week in 1998 (barrels \$1.5075 and blocks \$1.6575). Milk and cheese production are being reduced by continued summer heat and humidity. Bottlers are also more aggressively competing with cheese makers for milk.

FLUID MILK: The heat wave covering much of the country is taking its toll on the cows and milk production. Reports of milk production declines of up to 30% from one week to the next have been common in parts of the Middle Atlantic and South central areas. Milk is starting to move into the Southeast in greater volumes. Southern buyers are concerned that as their need for milk increases over the next month, the current drop in milk output could force them to look greater distances to find desired volumes. Bottled milk sales are generally slow. Condensed skim sales have been quite good and prices are steady to higher. The fluid cream market is firm. Cream

supplies are tightening. Because of that state's pricing policies, this may temporarily be the last week that California cream moves across the country. Eastern buyers have been using quite a bit of this "imported" cream. Without it, local supplies could become tighter and more expensive.

DRY PRODUCTS: The nonfat dry milk market remains weak, but with surplus milk volumes drying up and/or heading into cheese output, some producers did little drying this week. Also, there were more instances of producers bumping up their "best prices" for large-volume sales. Demand for condensed skim, particularly from cheese makers, is also good which further reduces drying schedules. Demand for NDM is just fair. The dry whey market is trying to firm up, but domestic demand remains lackluster. Export interest is occasionally improved. Stocks range from tight on Grade A to fully adequate. Producers are more often asking premiums for any spot loads that are available, but these often meet resistance. The WPC market remains weak and producer stocks range from balanced to more than ample. The lactose market is quite firm. There is relatively little spot trading as most producers report that they have enough contracted business to clear their output.

CCC: During the week of July 26 - 30, CCC purchased a total of 1,839,850 pounds of nonfortified NDM.

COMMERCIAL DISAPPEARANCE (ERS): Commercial disappearance of dairy products during the first five months of 1999 totals 66.04 billion pounds, 1.2% more than the comparable period in 1998. Comparing disappearance levels with a year ago: butter is down 5.0%, NDM is off 8.8%, American cheese is up 3.7%, other cheese increased 3.3% and fluid milk products are up 1.1%

CONSUMER PRICE INDEX (BLS): The June Consumer Price Index (CPI) for all food is 163.6, up 2.2% from a year ago. The dairy products index at 156.1, is up 5.4% from June 1998. The following are June to June changes in selected dairy products: fresh whole milk +3.6%, cheese +7.4%, and butter +7.5%.

*****SPECIALS THIS ISSUE*****

RECORDED INFORMATION AND INTERNET ACCESS (YELLOW PAGE)

CONSUMER PRICE INDEX (PAGE 7)

COMMERCIAL DISAPPEARANCE (PAGE 7)

GRAPHS (PAGE 8)

**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY JULY 26	TUESDAY JULY 27	WEDNESDAY JULY 28	THURSDAY JULY 29	FRIDAY JULY 30	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.6850 (+.0150)	\$1.6900 (+.0050)	\$1.6925 (+.0025)	\$1.6975 (+.0050)	\$1.7100 (+.0125)	+.0400	\$1.6950 (+.0805)
40# BLOCKS	\$1.7275 (+.0075)	\$1.7500 (+.0225)	\$1.7625 (+.0125)	\$1.7800 (+.0175)	\$1.7875 (+.0075)	+.0675	\$1.7615 (+.0860)
NONFAT DRY MILK EXTRA GRADE	\$1.0100 (N.C.)	\$1.0100 (N.C.)	\$1.0100 (N.C.)	\$1.0100 (N.C.)	\$1.0100 (N.C.)	N.C.	\$1.0100 (N.C.)
GRADE A	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	\$1.0500 (N.C.)	N.C.	\$1.0500 (N.C.)
BUTTER GRADE AA	\$1.3325 (+.0325)	-----	\$1.3500 (+.0175)	-----	\$1.4700 (+.1200)	+.1700	\$1.3842 (+.1109)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM

CHICAGO MERCANTILE EXCHANGE

MONDAY, JULY 26, 1999

CHEESE -- SALES: 4 CARS BARRELS: 1 @ \$1.6800, 3 @ \$1.6850; 1 CAR 40#BLOCKS @ \$1.7275; BIDS UNFILLED: 5 CARS BARRELS: 3 @ \$1.6850, 1 @ \$1.6800, 1 @ \$1.6600; 5 CARS 40# BLOCKS: 2 @ \$1.7250, 1 @ \$1.7225, 2 @ \$1.7200; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.6900, 1 @ \$1.7000
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER --SALES: 8 CARS GRADE AA: 1 @ \$1.3350, 1 @ \$1.3400, 1 @ \$1.3100, 1 @ \$1.3000, 1 @ \$1.3025, 1 @ \$1.3000, 1 @ \$1.3175, 1 @ \$1.3100; BIDS UNFILLED: 5 CARS GRADE AA: 1 @ \$1.3325, 2 @ \$1.3000, 1 @ \$1.2900, 1 @ \$1.2400; OFFERS UNCOVERED: NONE

TUESDAY, JULY 27, 1999

CHEESE -- SALES: 8 CARS BARRELS: 6 @ \$1.7000, 1 @ \$1.6950, 1 @ \$1.6900; 5 CARS 40# BLOCKS: 1 @ \$1.7300, 2 @ \$1.7400, 2 @ \$1.7500; BIDS UNFILLED: 2 CARS 40# BLOCKS: 1 @ \$1.7450, 1 @ \$1.7300; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.7100, 1 @ \$1.7300
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, JULY 28, 1999

CHEESE -- SALES: 8 CARS BARRELS: 7 @ \$1.6900, 1 @ \$1.6925; BIDS UNFILLED: 3 CARS BARRELS @ \$1.6925; 4 CARS 40# BLOCKS: 2 @ \$1.7625, 2 @ \$1.7500; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.7200; 1 CAR 40# BLOCKS @ \$1.7800
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 1 CAR GRADE AA @ \$1.3500; BIDS UNFILLED: 10 CARS GRADE AA: 2 @ \$1.3500, 1 @ \$1.3450, 1 @ \$1.3400, 1 @ \$1.3350, 2 @ \$1.3325, 3 @ \$1.3000; OFFERS UNCOVERED: NONE

THURSDAY, JULY 29, 1999

CHEESE -- SALES: 5 CARS BARRELS @ \$1.6975; 2 CARS 40# BLOCKS @ \$1.7725; BIDS UNFILLED: 6 CARS 40# BLOCKS: 3 @ \$1.7800, 1 @ \$1.7725, 2 @ \$1.7625; OFFERS UNCOVERED: 2 CARS BARRELS: 1 @ \$1.7300, 1 @ \$1.7325
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, JULY 30, 1999

CHEESE -- SALES: 5 CARS BARRELS: 3 @ \$1.7050, 1 @ \$1.7075, 1 @ \$1.7100 2 CARS 40# BLOCKS: 1 @ \$1.7825, 1 @ \$1.7850; BIDS UNFILLED: 2 CARS BARRELS @ \$1.6975 2 CARS 40# BLOCKS @ \$1.7875; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.7500
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 8 CARS GRADE AA: 2 @ \$1.4300, 1 @ \$1.4325, 2 @ \$1.4500, 3 @ \$1.4700; BIDS UNFILLED: 17 CARS GRADE AA: 1 @ \$1.4700, 1 @ \$1.4500, 1 @ \$1.4325, 2 @ \$1.4150, 2 @ \$1.3925, 2 @ \$1.3800, 1 @ \$1.3725, 2 @ \$1.3700, 2 @ \$1.3600, 3 @ \$1.3500; OFFERS UNCOVERED: 4 CARS GRADE AA: 1 @ \$1.5000, 3 @ \$1.6000

BUTTER MARKETS**NORTHEAST**

Prices at the CME increased for the second time since early June. The market tone is still weak, but with June cold storage indicating a drop from the previous month's (but still double year ago) figures, some traders may have taken this as a sign of tightness later this year. Churning activity is lighter as most cream continues to move into Class II products. Fresh butter stocks are tight, but frozen supplies are readily available. Retail sales are still quite slow as prices in many stores remain relatively high. Contacts note that customers tend to wait for features before buying butter. Demand for bulk is steady at slow to fair levels. Spot bulk sales continue in the range of 3 - 5 1/2 cents over the CME weekly average.

CENTRAL

The butter market is firm. The current cash butter price at the CME is now in its' fourth firm cycle thus far this calendar year. Comparable firm cycles have had prices increasing from 8 to 57 cents per pound during a particular cycle. The most recent increase in cash trading values has producers and handlers questioning where the market is headed. Fresh butter stocks are reported to be tight, but storage stocks are sufficient to meet current needs, although holders are now less willing to sell available inventories. Overall buying interest is mixed. Some buyers continue to place regular orders while others are holding off in hopes of lower prices in the near future. Churning schedules are lighter due to limited cream volumes for butter needs.

WEST

Print orders appear somewhat mixed at this time. Some contacts report good movement while others are stating that high retail prices are cutting into sales volumes. Bulk butter is clearing reasonably well. Contacts are wondering if another cycle is starting in butter pricing. There have been four up/down pricing cycles so far this year. A further contributing factor may be the strength in cheese markets. Demand for cream going into the ice cream industry remains strong. However, after August 1, cream from California will not be as competitive with cream in other parts of the country because of a bimonthly pricing change in California Class 3 prices. That should mean additional cream entering the churn in that state. In other parts of the region, butter production is trending lower seasonally.

WHOLESALE SELLING DIFFERENTIALS, F.O.B. PRODUCING PLANTS,
TRUCKLOAD QUANTITIES.

DUE TO A LACK OF CONSENSUS ON THE PART OF PRODUCERS AND BUYERS ABOUT THE BASING POINT FOR BULK BUTTER SALES (PREVIOUS FRIDAY'S CLOSE, PREVIOUS WEEK'S AVERAGE, DATE OF SALE, DATE OF SHIPMENT, ETC.), DAIRY MARKET NEWS IS TEMPORARILY SUSPENDING THE REPORTING OF PREMIUMS OR DISCOUNTS.

NASS DAIRY PRODUCT PRICES
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 39% MOISTURE			
JULY 24	1,5434 4,492,119	1,4848 8,863,215	1,0049 23,044,294	1,3347 2,646,933	0,1731 5,943,650

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Prices for natural cheddar and process items are up again this week. The market tone is firm, but price advances are beyond some contact's expectations. The higher prices are drawing little extra cheese from inventories or vats. In the Northeast, very hot weather is starting to take its toll on milk output which is starting to impact manufacturing plant receipts. Retail demand for cheese is steady to slower due in part to nine consecutive weeks of price advances. Food service orders are mostly steady as the vacation season is in full swing. The very hot weather does lend itself to increased dining out and better food sales at beaches. Stocks of most types of cheese are closely balanced.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.6925-2.1800
Cheddar Single Daisies	:	1.6650-2.1800
Cheddar 40# Block	:	1.7975-1.9825
Process 5# Loaf	:	1.8250-1.9825
Process 5# Sliced	:	1.8450-2.1025
Muenster	:	1.8725-2.1750
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market remains firm. Some reports of price expectations higher than last year's CM cash record \$1.90 block price and \$1.86 barrel price continue to circulate. A dichotomy is just starting to develop, while most buyers continue to pursue inventory building/active purchasing, a smaller group of others is starting to use inventory previously built. Current bulk offerings remain sparse and many plants continue to limit sales to regular customers. Finished product orders are mixed, improved in some areas with price protection, about steady elsewhere. Some distributors are again having problems passing along price increases fast enough to recoup costs. Some increased interest is noticed from seasonal specialty item producers (gift packers). Cheese and milk production have taken a noticeable decline during the recent bouts of heat and humidity.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.7950-1.8700
Brick And/Or Muenster 5#	:	1.8700-2.1425
Cheddar 40# Block	:	1.8700-2.1150
Monterey Jack 10#	:	2.0500-2.1250
Blue 5#	:	2.2700-2.4500
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.9400-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.3400-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	JULY 26 - 30, 1999
BARRELS*	:	\$1.6250 - 1.7000 (NOMINAL)
	:	(\$0.0950) (.1175)
40# BLOCKS	:	\$1.6950 - 1.7400 (NOMINAL)
	:	(\$1.1050) (.1025)
() Change from previous week. * If steel, barrel returned.		

WEST

Prices for natural and process Western cheese items are very strong following activity over the last few weeks at the CME. Demand is excellent for all types of cheese, but especially for current blocks. Manufacturers are not able to meet all their buying interest in a timely fashion. Many contacts report that they are "robbing" aging programs, such as they are, to try to fill current orders. Production is declining seasonally at a slower rate than anticipated. The barrel/process market is also tight, but there are more processing solids (trim) available because of the heavy volumes of cheese that plants are handling. Swiss production is up compared to last year at most Western plants. Italian type cheeses are short of trade needs. Some Western contacts note that there is a nervous strength to the market.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.7600-2.0200
Cheddar 40# Block	:	1.7950-1.9350
Cheddar 10# Cuts	:	1.9850-2.1950
Monterey Jack 10#	:	2.0050-2.1575
Grade A Swiss Cuts 6 - 9#	:	2.2900-2.4200

FOREIGN

Domestically made cheese prices are up for the ninth week in a row. Demand for imported types are seasonally slow to fair. As Domestic cheese prices increase, there is growing interest for some imported cheddar types used for processing. Stocks are generally in balance with needs.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	: 5.5000-6.8900	: -0-
Blue	: 2.6400-3.1400	: 2.0275-2.5875*
Gorgonzola	: 3.2400-5.9400	: 2.4900-2.7050*
Parmesan (Italy)	: TFEWR	: 3.4375-3.4675*
Romano (Italy)	: 2.1000-2.9000	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 2.0275-2.3125*
Romano (Cows Milk)	: -0-	: 3.2075-5.4325*
Sardo Romano (Argentina)	: 2.6500-3.2900	: -0-
Reggiano (Argentina)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.1200	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-
* = Price change.		

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER : CHEESE	
07/26/99	12,687	: 125,580
07/01/99	14,960	: 121,941
CHANGE	-2,273	: 3,639
% CHANGE	-15	: 3

FLUID MILK AND CREAM

E A S T

Northeastern Milk Market Administrators announced June 1999 uniform (blend) prices: Federal Order (F.O.) 1 is \$12.79; F.O. 2, \$12.41; F.O. 4, \$13.23; F.O. 36, \$12.63; and Western NY Milk Market Area, \$12.54. The heat wave continues in most of the East and milk output is down in most areas. After a brief rebound in output last week, the milk flow is dropping very rapidly from Texas to New England. Milk haulers are reporting more than 10% drops in daily route loads from last week. More milk is moving into the Southeast and Florida is drawing from more sources. Preliminary figures show that Florida handlers are bringing 28 loads of milk in this week, but that figure may grow significantly before week's end. They are also taking all their obligated milk from regular sources. In New England, milk production is falling and milk supplies are tighter. In the Middle Atlantic area, milk is being sent to Southern users and manufacturing schedules are much lighter. Bottled milk sales are seasonally slow, but many bottlers are not getting desired volumes. Milk distributors are gearing up for a very hectic August/September period. In the Southeast, some schools will be reopening early in August with many more starting a week or two later. The school lunch Class I demand will only add to the region's milk shortages. Manufacturing schedules are often lower throughout the East. Condensed skim sales have been greatly improved and Class II prices have moved higher. Interest from Class III buyers is very brisk and prices often range from \$1.00 - 1.12. The fluid cream market is firm, but cream is available to cover most Class II needs. California cream is still coming across the country. The California cream, based on their pricing formula is favorably priced. However, the formula/base price changes August 1 and buyers may not find this cream source so attractive after that date. Spot prices are often lower as the weekly average at the CME was about four-cents lower than the previous week. Ice cream, soft serve, and frozen novelty production is seasonally heavy and demand for all is good. However, the oppressively hot weather is not always conducive to retail consumption of these products. Cream cheese production is up slightly as some producers are taking a little more cream this week. This may be ahead of possible increases in CME butter prices or it could be production for anticipated fall needs. Churning activity is lighter.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.6553-1.8208
DELIVERED EQUIVALENT ATLANTA	-	1.6298-1.7954 M 1.6553-1.7317
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.6553-1.8081

PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS: NORTHEAST	-	.9000-1.0500
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NOTICE: Dairy Market News, at the request of the industry, is proposing to include an f.o.b. spot Class III condensed skim price range for the Northeast. This report would start in Report 35, Aug. 30-Sep. 3. If you have any comments or questions regarding this addition, please contact Alan Wagner at 608-224-5085 or E-mail at alan.wagner@usda.gov

M I D W E S T

WISCONSIN SPOT SHIPMENTS:	LOADS
JULY 23 - 29, 1999	14
PREVIOUS WEEK	18
COMPARABLE WEEK IN 1998	17

DESTINATIONS:	MISSOURI	14
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The heat and humidity of late last week has continued into this week. Early in the week, a slight cooling pattern occurred, but by midweek, hot temperatures and high humidity returned and forecasts indicate that conditions will probably worsen at week's end. Milk production is being noticeably impacted. Reports of milk receipts being 15 - 20% lower than the previous week are very common. High temperatures and lower milk receipts are not just limited to the Midwest. Other areas of the country are experiencing the same trends. Due to lower

receipts, milk demand is strong. Milk continues to leave the state. Fourteen loads were shipped to Missouri, which were slightly less than last week's total, although they are expected to increase in the near future. Milk continues to be direct shipped and pooled under a Southern Federal order to Missouri and Kentucky. Some Midwestern milk handlers are finding difficulty in procuring additional milk volumes locally and thus are importing milk from as far away as New York. Cream demand also remains strong. Milk handlers are finding it difficult to pull milk away from cheese operations to fill cream needs, thus some cream demand is going unfilled.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	JUL 22 - 28	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00-41.50	\$ 33.50- 38.00
REPLACEMENT HEIFER CALVES	\$220.00-265.00	\$125.00-165.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	JUL 22 - 28	PREVIOUS YEAR
SLAUGHTER COWS	\$ 34.50- 44.50	\$ 34.50- 41.00

W E S T

June pool receipts of milk in California total 2.447 billion pounds, up 8.9% from last year. Cumulative pool output through the first 6 months of 1999 totals 14.720 billion pounds, up 10.8% from the same period in 1998. The June blend price is \$12.78, at a fat test of 3.55%, which is 70 cents higher than May. The percentage of receipts used in Class I products is 20.46%. The June quota price is \$13.85 and the base and overbase prices are \$12.15. These prices are 74 cents higher than last month and \$1.20 lower than June 1998. Ideal summertime weather conditions across the major milk producing regions of California are causing milk receipts to increase. Additionally, due to hot conditions last year, more fresh cows are now entering the milking strings. Feed prices remain low and alfalfa prices are declining. Current factors are very favorable for milk production. The additional milk is first being directed to cheese plants as the higher cheese prices favor cheese production. Handlers are having few problems with the milk volumes at this time. Cream movements within the state and to other region remain active and are expected to be heavy through the end of the month. However, starting August 1, Class III prices will be sharply higher and shipments of cream to ice cream producers are expected to decline. Then, churning schedules would increase to process cream. Milk production is trending lower in Arizona as hot temperatures are affecting the milking herds. Heat abatement measures are being used to minimize the effects. Feed quality and availability are good and prices are declining. New Mexico milk production is steady to lower with recent weeks. Weather conditions are drier, but temperatures and humidity levels are increasing. Milk production levels in the Pacific Northwest remain above expectations this summer. Weather stress has not been enough to force output lower. Very good feed quality and very reasonable prices are contributing to the strong milk production. Most contacts feel that hay availability and quality levels should be very good through the winter feeding season. Many producers have contracted a large portion of their winter concentrate needs at very favorable prices. Culling rates remain low and heifer prices remain very high. Manufacturing plants are operating on extended production schedules. Many had planned to be down in production by this time, but they are not. Temperatures are warming up, but not enough to stress the cattle. Irrigation water is plentiful. Milk output remains heavy for the northern tier of Mountain States for this time of the summer milk season. Temperatures are in the low 100's in southern Idaho and high 90's for northern Utah, but it is a dry heat and is not stressing the dairy herds at this time. Conditions cool off at night to give the cows some relief. The hay quality being offered is excellent. Dairy producers are in a real expansion mode in the region and they are aggressively looking for heifers to fill their stalls. Prices are very strong and availability is very tight.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 07/29/99 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices remain unchanged on a steady market. Hot weather is causing lower milk production and milk intakes at plants. Reduced production schedules at some facilities offer minimal changes in the current heavy inventories of low heat. Late in the week, some companies stopped drying in favor of sending the milk to their cheese plants. Stocks of high heat and Grade A product remain adequate to instances tight. Spot trade is slow with the best movement noted into cheese facilities for fortification purposes. Offerings are light and priced generally at the average. Mostly prices for the 30th week in 1998 were 1.0250 - 1.0350

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0075 - 1.0300 MOSTLY: 1.0100 - 1.0150

DRY BUTTERMILK - CENTRAL

Prices are unchanged on a steady to fully steady market. Movement continues marginal and spotty in nature. Ice cream producers still prefer buttermilk in the condensed form. Because of decreasing butter production, some ice cream producers are showing more interest in dry product. Overall demand is fair to good on inventories that are adequate to instances tight. Some aged product remains available at the lower end of the range. Prices for the 30th week in 1998 were .9300 - .9600.

BUTTERMILK: .7100 - .7650

DRY WHEY - CENTRAL

Prices are unchanged on a steady to fully steady market. Whey production is steady to lower as available milk supplies and cheese production seasonally decline. Many plants are sold out and expect to remain low on spot supplies through August. Producers are offering product at premiums which is deterring some export interest. Traders are finding it difficult to locate available supplies of whey and buyers interested in purchasing. Overall domestic and export demand is fair to good. Condensed supplies are adequate for current needs. Grade A movement is strong where available. Mostly prices for the 30th week in 1998 were .2775 - .2825.

NONHYGROSCOPIC: .1750 - .1900 MOSTLY: .1750 - .1800

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged on animal feed whey items. Heat and humidity are creating problems in the production of edible whey and delactose which tends to increase available supplies of milk replacer quality product. Trading is marginal as demand from the livestock industry remains lackluster. Inventories are in balance to instances long. Buyers are purchasing product on an as needed basis. Veal production totaled 19.0 million pounds, 6% below the previous record low for June set a year ago. Calf slaughter totaled 105 thousand head, down 11% from June 1998. The average live weight was 14 pounds above last year, at 297 pounds.

MILK REPLACER: .1475 - .1700
STANDARD: TFEWR
ROLLER GROUND: .1675 - .1825
DELACTOSE (Min. 20% protein): .2600 - .3150

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a firm market. Trading is limited on the spot market. Many producers are sold out on contracts and unable to meet spot interest. Export trade continues to generate a premium above the average. Domestic demand is good and generally at the average. Feed interest remains steady after last week's price increase. Off grade product is readily available at prices around the lower end of the range. Production is steady to lower due to seasonal declines in the milk supply. Mostly prices for the 30th week in 1998 were .1800 - .1900.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1750 - .2300 MOSTLY: .1750 - .1850

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to lower on a weak market. Inventories are the heaviest on the West Coast where feed and export demand are less than adequate. Midwest suppliers remain in a better position with some facilities sold out and unable to meet spot interest. Production is steady to somewhat lower in response to seasonal declines in milk and cheese production. Buyers are showing more interest at the lower prices. Condensed WPC is clearing well into the feed industry and is showing signs of tightening. Offers on dry, off grade product are plentiful at good discounts. Attractive high protein and 34% imports continue to compete with domestic producers for US demand. The undertone remains unsettled. Mostly prices for the 30th week in 1998 were .5725 - .5825.

EXTRA GRADE 34% PROTEIN: .4000 - .4675 MOSTLY: .4350 - .4600

NONFAT DRY MILK - WEST

Prices have edged up on the bottom end of the low/medium heat series. The market tone remains on the weak side. Production is increasing from a couple of weeks ago as milk output rebounds in California. Supplies remain in excess of industry needs and surpluses continue to be offered to the support program. Spot activity is steady with recent weeks. DEIP orders are being filled for nearby deliveries and negotiated for later deliveries. Expectations are that DEIP orders will not affect marketings and short the market, but take part of the NDM that would have gone to the support program. The run up in cheese prices is causing more NDM and condensed skim to move into cheese vats. At current cheese prices, the addition of \$1.00 NDM to extend the yields of \$1.75 plus cheese makes sense. For the week of July 19-23 clearances to CCC totaled 4.0 million pounds of nonfortified and 0.4 million pounds of fortified NDM, all coming from the West. No changes were reported in light trading of high heat NDM. Offerings are seasonally light but met by limited demand.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9900 - 1.0200 MOSTLY: .9900 - 1.0100

HIGH HEAT: 1.0200 - 1.0400

DRY BUTTERMILK - WEST

Dry buttermilk prices again showed increases. The market tone is firmer. Offerings and demand are in close balance. Production remains light due to seasonal declines and churners selling cream to maximize returns. However, with butter prices again firming and the increase in California Class III fat prices starting August 1, expectations are that butter production will increase substantially starting in August. Stock levels are reported as light to moderate.

BUTTERMILK: .6800 - .7350 MOSTLY: .6900 - .7000

DRY WHEY - WEST

The Western whey price range increased fractionally while the mostly held steady. Export interest is mixed, ranging from steady to improved. Some eastern European countries are very competitive in the Far Eastern markets at this time. Domestic demand is seasonally steady. Buyers are generally able to find the powder they need on a timely basis. Whey production is beginning to decline as milk production is past the spring flush peak, but output is holding up longer than anticipated. Warehouse stocks are mixed. Some manufacturing operations are sold out 3-4 weeks ahead, but others are beginning to build inventories faster than they would like. Offerings of whey into the animal feed industry are increasing.

NONHYGROSCOPIC: .1700 - .1950 MOSTLY: .1700 - .1775

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended July 23, on powder sales of 15,115,155 pounds f.o.b. California manufacturing plants was \$1.0059 per pound. This compares to 12,163,459 pounds at \$1.0064 for the previous week ending July 16, 1999. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to fractionally higher as surplus milk supplies tighten and sales of condensed skim improve. The market tone is, in instances, a little firmer. Eastern producers report little or no drying during the past week. Current inventories of low heat NDM are fully adequate, but many dryers expect to need current stocks to meet late summer/early fall needs. High heat stocks are in better balance and, with milk supplies dropping, those producers who are drying are often making high heat. Most producers who were pricing low heat at the bottom of the range did move their prices a little higher this week. Demand is basically unchanged, but some new DEIP orders have been placed

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0050 - 1.0400 MOSTLY: 1.0050 - 1.0150

HIGH HEAT: 1.0400 - 1.1100 MOSTLY: 1.0400 - 1.0600

DELVD SOUTHEAST:

ALL HEATS: 1.0350 - 1.1300

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are mostly steady and the market tone is a bit firmer. With nearly a thirty-cent spread between NDM and dry buttermilk, some contacts think that buyers should be taking a more serious look at buttermilk powder, but that doesn't seem to be happening. Despite the price advantage, the down side to the dry buttermilk market usually comes down to availability. Users usually want an adequate, steady supply. Liquid and/or condensed buttermilk sales are good. Supplies of both dry and wet buttermilk are getting tighter as churning activity decreases along seasonal patterns. In the East, producers have little powder "on the floor" for immediate spot sale.

F.O.B. NORTHEAST: .7000 - .7500

DELVD SOUTHEAST: .7300 - .7650

DRY WHOLE MILK - NATIONAL

Prices are often higher as butter prices at the CME are on the upswing and producers anticipate the August milk prices. Production is steady at light to moderate levels. Most output is geared to filling existing orders. From a product quality point of view, it is too hot to have much sitting in warehouses. A very small (8 MT) DEIP bid was accepted this week.

F.O.B. PRODUCING PLANT: 1.2800 - 1.5000

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1999 THROUGH JULY 23, 1999

WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	16,910 MT (37,279,786 LBS)
CHANGE	--	3,013 MT (6,642,460 LBS)
WHOLE MILK POWDER	--	0 MT
CHEESE	--	61 MT (134,481 LBS)
CHANGE	--	4 MT (8,818 LBS)
BUTTERFAT	--	0 MT

Allocations for the DEIP year beginning July 1, 1999, are: Nonfat dry milk - 76,207 MT; Whole Milk Powder - 2,518 MT; Cheese - 3,190 MT; Butterfat - 25,475 MT.

These DEIP allocations are in addition to balances still available from quantities announced on May 13, 1999: 25,177 MT of Nonfat Dry Milk (to be filled in roughly equal quarterly amounts during the GATT-year beginning July 1, 1999), 7,500 MT of dry whole milk, and 1,270 MT of cheese.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are steady to fractionally higher and the market tone is unchanged. Surplus milk supplies are lighter as the heat wave is taking its toll on milk production. Also, the heat wave is having an effect on whey drying efficiencies and product quality. Grade A whey continues to be tight and most producers are sold out for the next several weeks. Extra Grade stocks are available, but still closely balanced with needs. More producers are asking for slight premiums for any spot loads. Demand remains lackluster. Even with milk supplies tightening, the increasing cheese prices are attracting any extra milk to cheese plants. Buyers see little reason for too much advance buying, but they are keeping an eye on the milk shipments into the Southeast which are starting plus the hot weather's impact on milk production. Off grade product inventories are building and there is little demand for this type of product.

F.O.B. NORTHEAST: EXTRA GRADE .1775 - .1900

USPH GRADE A .2100 - .2500

DELVD SOUTHEAST: .2025 - .2175

ANIMAL FEED WHEY - NORTHEAST

Prices remain too few to report. The market tone remains weak. Offerings of down graded or "off spec," dry whey are heavier and demand continues to be sluggish.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production is often lighter as milk supplies are dwindling in most parts of the country. Producer stocks are adequate, but producers are still trying to build stocks ahead of anticipated milk price increases. Demand is seasonally slow to fair. The Kansas City Commodity office announced the purchase of canned evaporated milk under EVD-1, invitation 580. They purchased 73,440 pounds at \$.5024-.5250 per pound for delivery in September.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED
MAJOR U.S. CITIES \$22.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets are weak with prices unchanged to lower. Domestic buyers are stating that offerings on both a contractual and spot basis are readily available. Many buyers indicate that they are in a more favorable position when placing orders. Most indicate that it is a buyers market at this time. For the most part, suppliers are willing to negotiate sales for upcoming shipments.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 1.7200 - 1.9000

ACID: 1.8500 - 1.9000

CONSUMER PRICE INDEX (CPI-U) AND AVERAGE RETAIL PRICES FOR SELECTED PRODUCTS, U.S. CITY AVERAGE 1/

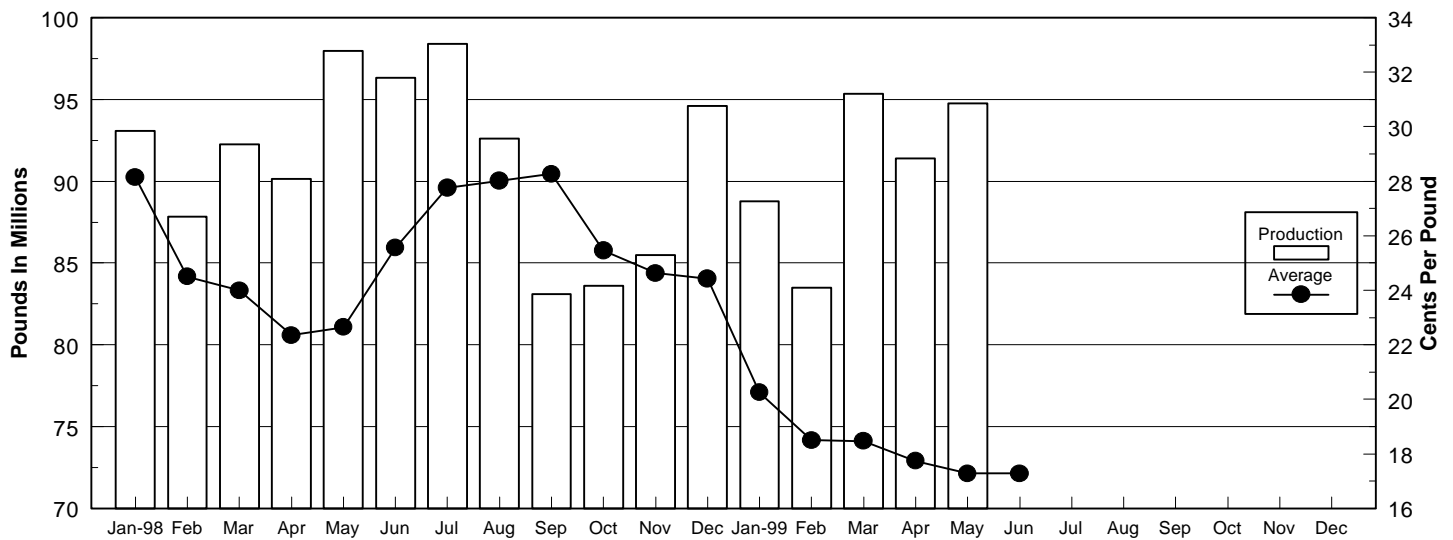
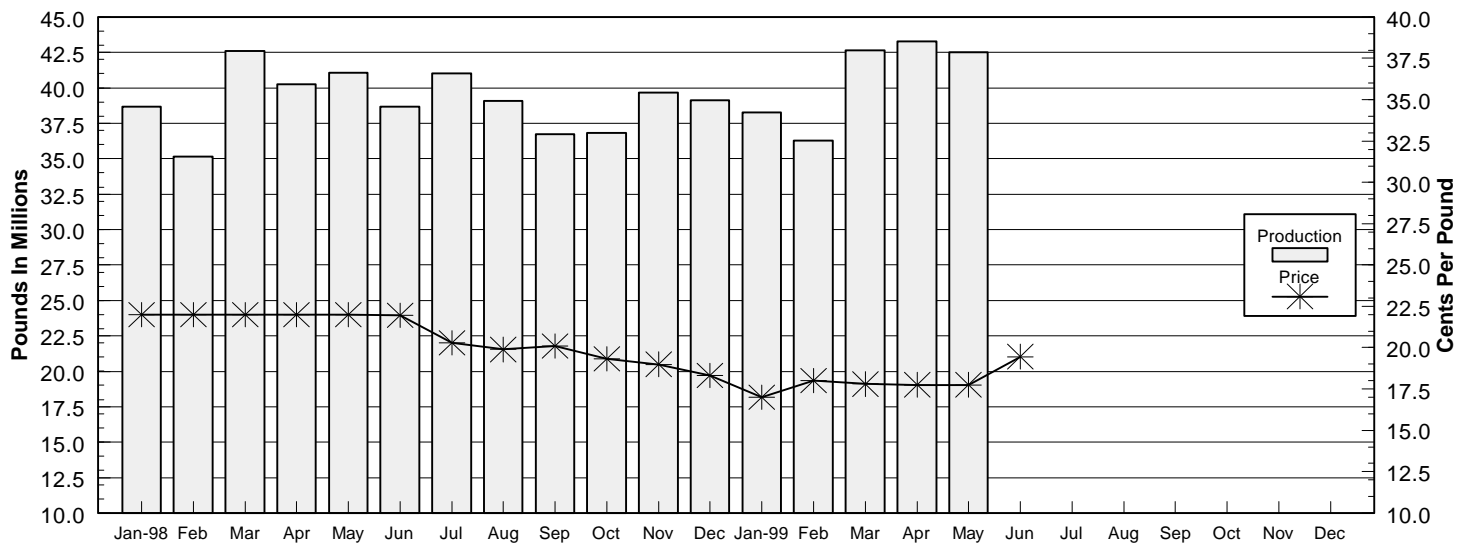
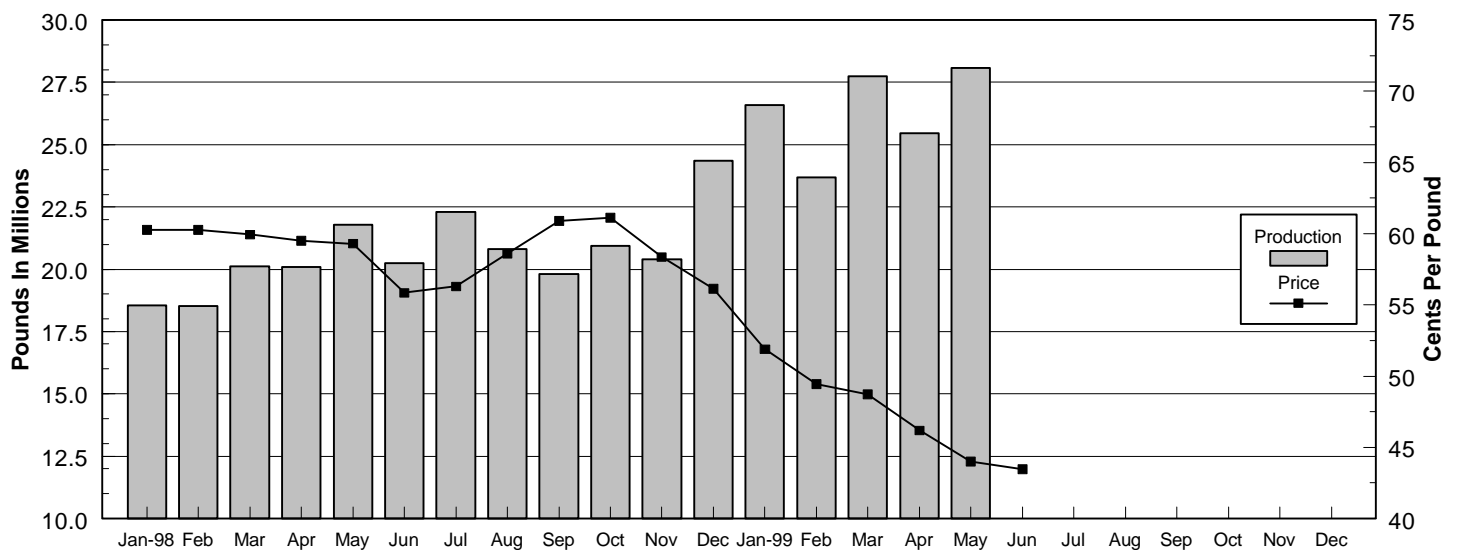
Month and Year	All Food		Dairy Products		Fresh Whole Milk		Cheese		Butter		Meat, Poultry, Fish and Eggs	
	CPI <u>2/</u>	Pct. Chg. <u>3/</u>	CPI <u>2/</u>	Pct. Chg. <u>3/</u>	CPI <u>2/</u>	Pct. Chg. <u>3/</u>	CPI <u>2/</u>	Pct. Chg. <u>3/</u>	CPI <u>2/</u>	Pct. Chg. <u>3/</u>	CPI <u>2/</u>	Pct. Chg. <u>3/</u>
APR 1999	163.4	2.3	156.1	5.1	149.6	2.3	159.9	6.7	145.6	16.5	146.7	0.3
MAY 1999	163.7	2.1	156.2	5.5	150.6	3.4	160.7	7.6	139.6	9.5	146.7	0.3
JUN 1999	163.6	2.2	156.1	5.4	149.6	3.6	159.9	7.4	143.9	7.5	147.2	0.6
U.S. City Average Retail Prices												
Month	Whole Milk <u>4/</u>		Lowfat Milk <u>4/</u>		Butter <u>5/</u>		Process Cheese <u>6/</u>		Natural Cheese <u>7/</u>		Ice Cream <u>8/</u>	
	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999	1998
	Dollars											
APRIL	2.707	2.668	2.686	2.589	2.703	2.336	3.748	3.535	3.694	3.499	3.266	3.060
MAY	2.716	2.666	2.651	2.591	2.546	2.484	3.806	3.539	3.721	3.448	3.195	2.995
JUNE	2.704	2.622	2.640	2.552	2.648	2.613	3.779	3.516	3.672	3.432	3.306	3.051

NA = Not available. 1/ "CPI Detailed Report," "Consumer Prices: Energy and Food," BLS, U.S. Department of Labor. According to BLS, average prices are best used to measure the price level in a particular month. To measure price change over time, the CPI is more appropriate. 2/ The standard reference base period for these indexes is 1982-1984 = 100. 3/ Percent change over previous year. 4/ Per gallon. 5/ Per pound. Grade AA, salted, stick butter. 6/ Per pound, any size and type of package. 7/ Per pound, cheddar cheese in any size and type of package and variety (sharp, mild, smoked, etc.). 8/ Per 1/2 gallon, prepackaged regular.

COMMERCIAL DISAPPEARANCE: TOTAL MILK AND SELECTED DAIRY PRODUCTS—MARCH-MAY AND YEAR-TO-DATE 1998-99 1/

Item	Mar.-May 1998	Percent change <u>4/</u>	Mar.-May 1999	Percent change <u>4/</u>	Jan.-May 1998	Percent change <u>4/</u>	Jan.-May 1999	Percent change <u>4/</u>
	Million Pounds							
MILK								
Production	41,218	0.8	42,603	3.4	66,693	0.9	68,897	3.3
Marketings	40,875	0.8	42,276	3.4	66,130	0.9	68,360	3.4
Beginning Commercial Stocks <u>2/</u>	5,730	9.5	7,001	22.2	4,889	3.9	5,274	7.9
Imports <u>2/</u>	887	46.9	980	10.5	1,298	37.1	1,620	24.8
Total Supply <u>3/</u>	47,492	2.4	50,257	5.8	72,317	1.6	75,254	4.1
Ending Commercial Stocks <u>2/</u>	6,792	-10.0	9,091	33.8	6,792	-10.0	9,091	33.8
Net Removals <u>2/</u>	90	-48.6	84	-6.7	259	8.4	128	-50.6
Commercial Disappearance <u>3/</u>	40,610	5.0	41,082	1.2	65,266	3.0	66,035	1.2
SELECTED PRODUCTS <u>5/</u>								
Butter	279.8	10.4	286.0	2.2	477.5	2.1	453.6	-5.0
American Cheese	845.0	5.9	869.4	2.9	1,391.5	3.5	1,443.3	3.7
Other Cheese	1,121.7	5.2	1,129.2	0.7	1,759.5	2.3	1,817.9	3.3
Nonfat Dry Milk	232.7	-1.4	205.5	-11.7	364.7	-10.3	332.7	-8.8
Fluid Milk Products <u>6/</u>	13,809.8	-1.6	14,140.2	2.4	22,729.0	-1.4	22,974.8	1.1

1/ Commercial disappearance includes civilian and military purchases of milk and dairy products for domestic and foreign use, but excludes farm household use and USDA donations of dairy products. Disappearance is a residual figure and therefore can be affected by any inaccuracies in estimating milk production, on-farm use, stocks, and imports. 2/ Milk-equivalent, milkfat basis. Calculated using slightly different factors than previously. Further changes may be made as technical parameters become available. 3/ Totals may not add because of rounding. 4/ From year earlier on a daily average basis. 5/ Commercial disappearance in product pounds. 6/ Sales. Estimate based on actual sales in Federal milk order marketing areas and California. These sales figures have not been adjusted for calendar composition. **SOURCE:** Economic Research Service, USDA. Fluid milk products - Agricultural Marketing Service, USDA. This information is now available through ERS AutoFAX. To request a document, dial (202) 694-5700 and enter document number 11521 when prompted.

Human Dry Whey Production vs. Central Mostly Monthly Average Price**Human & Animal Lactose Production vs. Edible Lactose Central & West Price****Monthly WPC Production vs. WPC Central & West Extra Grade 34% Price**

Source: USDA/ NASS and USDA/AMS Dairy Programs, Market News Branch

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF JULY 26 - 30, 1999			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/98	SAME PERIOD LAST YEAR	PERIOD ENDING 07/23/99	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	1,839,850	-0-	1,839,850	169,393,157	134,994,366	-0-	-0-
Fortified	-0-	-0-	-0-	1,705,369	-0-	-0-	-0-
TOTAL	1,839,850	-0-	1,839,850	171,098,526	134,994,366	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF JULY 26 - 30, 1999 =	0.4	21.4	COMPARABLE WEEK IN 1998 =	0.1	2.8
CUMULATIVE SINCE OCTOBER 1, 1998 =	37.6	1,991.6	CUMULATIVE SAME PERIOD LAST YEAR =	29.7	1,571.3
CUMULATIVE JANUARY 1 - JULY 30, 1999 =	37.6	1,990.3	COMPARABLE CALENDAR YEAR 1998 =	28.0	1,478.9

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF JULY 26 - 30, 1999 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	257,937	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	1,581,913	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/98 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98	1998/99	1997/98
MIDWEST	-0-	-0-	-0-	-0-	15,434,971	11,195,544	9.0	8.3
WEST	-0-	-0-	-0-	-0-	155,663,555	123,512,279	91.0	91.5
EAST	-0-	-0-	-0-	-0-	-0-	286,543	0.0	0.2
TOTAL	-0-	-0-	-0-	-0-	171,098,526	134,994,366	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1999MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80DOLLARS PER POUNDBUTTER: Bulk \$.6500; 1# Prints \$.6800CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrels \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 07/10/99 & Comparable Week 1998 1/ 2/

Dairy Cows & Total Cow Shipment Under Federal Inspection, by Regions & U.S. for Week Ending 12/22/99													U.S. TOTAL		% DAIRY OF ALL	
Regions*	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1	WEEK SINCE JAN 1	WEEK SINCE JAN 1		
1999-Dairy cows HD (000)	0.2	0.8	4.9	4.2	13.7	2.2	2.4	0.7	7.5	2.3	38.9	1,299.6	45.9	43.9		
1998-Dairy cows HD (000)	0.3	1.4	5.1	4.7	16.4	2.2	2.2	1.1	8.3	2.6	44.2	1,446.0	41.8	46.5		
1999-All cows HD (000)	0.2	0.9	6.7	10.5	19.1	10.8	15.4	3.3	11.0	6.7	84.7	2,957.9				
1998-All cows HD (000)	0.3	1.4	7.0	15.8	23.0	20.3	14.7	5.6	11.0	6.7	105.8	3,106.6				

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CCC MARKET PRICE PURCHASE 7/23

<u>CHEDDAR</u>	<u>SEPTEMBER DELIVERY</u>
BARRELS	400,000 \$1.6900

BASIC FORMULA PRICE (BFP), MAY 1995* TO DATE & HISTORIC M-W (3.5% BF, \$/CWT.)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42						